WIAA Region 1 Workforce Report

Summary

- Region 1 had a 4.7 percent unemployment rate in August 2005, with 4,900 unemployed. However, the five-county region has a 24,200-strong available labor pool that is looking for better jobs and includes 19,300 underemployed workers. The underemployed are willing to commute farther and longer; for the one-way commute, 43 percent are prepared for 20 or more minutes longer and 59 percent will go 20 or more extra miles.

- In 2000, 12,300 residents commuted out of the region for work, compared to 8,700 in-commuters. Most commuters worked in other North Alabama counties as well as in Mississippi and Tennessee. Significant commuting within the region suggests that the roads and highways must be maintained properly to ensure uninterrupted movement of workers as impeded movement of workers can slow economic development.

- Educational attainment in the region is low compared to the state as a whole. Of the age 25 and over population, Alabama has 75 percent high school graduates and 19 percent bachelor's or higher degree holders, compared to 70 percent and 14 percent, respectively, for the region.

- Employment is currently growing faster than the labor force and population. While this may reduce commuter outflow, it also presents a challenge to workforce development. Initiatives that address this challenge might consider (i) focusing on hard-to-serve populations (e.g. out-of-school youth and illiterate adults), (ii) facilitating in-commuting, and (iii) helping communities gain new residents, especially since increasing the number of residents is generally more beneficial to communities than in-commuting. However, communities must be prepared to invest in amenities and infrastructure to support population growth. Hard-to-serve populations are often outside of the mainstream economy, poor, and have difficulty finding work. They are potential labor force participants and some investment in training, transportation, child care, infrastructure, etc. may be needed to tap this resource.

- By sector, the top five employers in the region are manufacturing, retail trade, health care and social assistance, educational services, and accommodation and food services. These five industries provided 51,120 jobs, about two-thirds of the region total in the second quarter of 2004. Three of these leading employers—manufacturing, health care and social assistance, and educational services—had higher average monthly wages than the $2,231 regional average.

- On average about 4,100 jobs were created per quarter from second quarter 2001 to second quarter 2004; quarterly net job flows averaged just 17. Job creation is the number of new jobs that are created either by new area businesses or through expansion of existing firms. Net job flows reflect the difference between current and previous employment at all businesses.

- One occupation, Carpenters, is both high-demand and fast-growing. The top five high-demand occupations are Cashiers; Food Preparation and Serving Workers; Retail Salespersons; Waiters and Waitresses; and Carpenters. The top five fast-growing occupations are Medical Assistants; Manufactured Building and Mobile Home Installers; Fitness Trainers and Aerobics Instructors; Home Health Aides; and Directors, Religious Activities and Education.

- The top 50 highest earning occupations are mainly in health, legal, management, engineering, computer, and postsecondary education fields. The top four are all health occupations (e.g. Anesthesiologists and family and general practitioners). Almost all high-earning occupations require bachelor's or higher degrees.

- Fast-growing or high-demand occupations are generally not high-earning. Of 34 selected high-demand, 12 selected fast-growing, and 50 selected high-earning occupations, only one high earning occupation, General and Operations Managers, is in the high-demand category. Sales Managers is the only fast-growing and high-earning occupation.

- The most relevant skills for high-demand and fast-growing occupations are basic: active listening, reading comprehension, speaking, writing, and service orientation. High-demand and high-growth occupations are also common to the leading employment sectors. Economic development should aim to diversify and strengthen the region's economy by retaining, expanding, and attracting more high-wage providing industries.

- The finding that basic skills are important—for high-demand, high-growth, and high-earning jobs—indicates a strong need for training in these skills. Ideally, all high school graduates

should possess basic skills so that postsecondary and higher education can focus on other and more complex skills as well as enhancing these basic skills. Employers should be an integral part of planning for training as they can help identify future skill needs and any existing gaps.

- Skill and education requirements for jobs keep rising. These facts strongly emphasize the need to raise educational attainment in the region and present challenges to workforce development. They also present opportunities for economic development through workforce development activities that involve postsecondary and higher education institutions. Higher incomes to graduates from these institutions would help to raise personal income for the region. Raising personal income by improving educational attainment for a region that has low population and labor force growth rates is an effective economic development strategy.

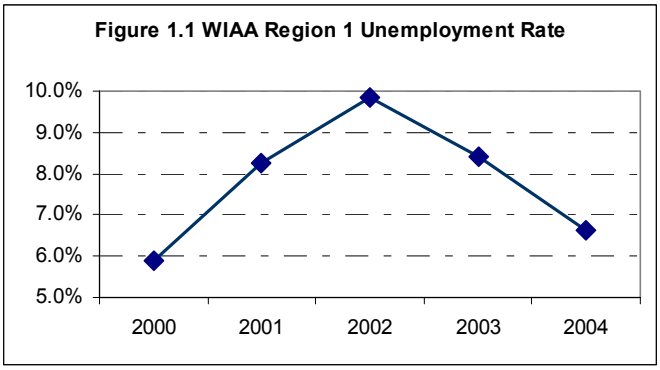
- A highly educated and productive workforce is a critical economic development asset. Together, workforce development and economic development can provide this asset and build a strong well-diversified regional economy. Indeed, one cannot achieve success without the other.

Workforce Supply

Labor Force Activity

The labor force includes all persons in the civilian noninstitutional population who are age 16 and over and who have, or are actively looking for, a job. Typically, those who have no job and are not looking for one are not included (e.g. students, retirees, and the disabled). Table 1.1 shows labor force information for Region 1 and its five counties for 2004 and August 2005. Larger increases in the number of employed residents relative to labor force size in 2005 for the region and four counties lowered unemployment rates. Winston County's unemployment rate fell as well because its labor force shrank by much more than the decline in number employed.

Unemployment rates in 2004 ranged between 6.3 percent and 7.3 percent for the counties, with 6.6 percent for the region. The unemployment range in August 2005 was 4.4 percent to 4.9 percent, with a 4.7 percent rate for the region. All the region's counties had higher unemployment rates than the state's 4.2 percent. Annual unemployment rates for 2000 to 2004 are shown in Figure 1.1. The region's unemployment rose from 5.9 percent in 2000 when the labor market nationwide was tight to 9.8 percent in 2002 with the economic recession. The rate has been declining with employment gains since 2003.



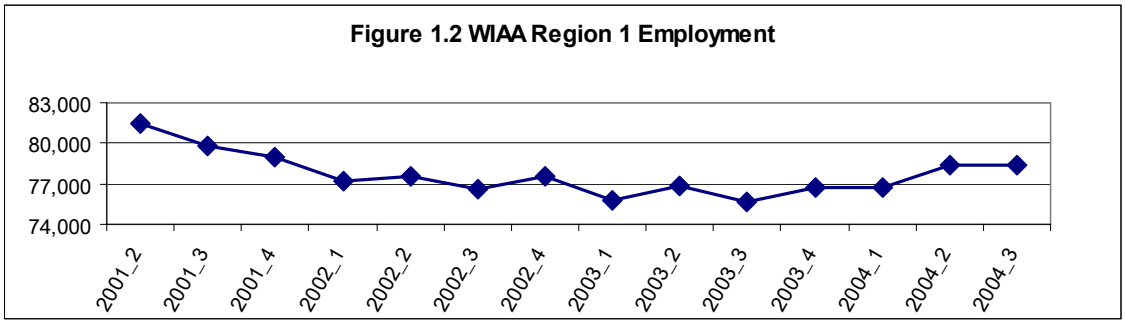
Source: Alabama Department of Industrial Relations.

Table 1.1 WIAA Region 1 Labor Force Information

	2004			
	Labor Force	Employed	Unemployed	Rate
Colbert	24,967	23,236	1,731	6.93%
Franklin	13,495	12,557	938	6.95%
Lauderdale	41,651	39,041	2,610	6.27%
Marion	13,499	12,650	849	6.29%
Winston	10,358	9,606	752	7.26%
WIAA Region 1	103,970	97,090	6,880	6.62%
Alabama	2,148,766	2,029,314	119,452	5.56%
U.S.	147,401,000	139,252,000	8,149,000	5.53%
	2005 August			
	Labor Force	Employed	Unemployed	Rate
Colbert	25,097	23,898	1,199	4.78%
Franklin	13,664	12,996	668	4.89%
Lauderdale	42,101	40,153	1,948	4.63%
Marion	13,617	13,014	603	4.43%
Winston	10,036	9,550	486	4.84%
WIAA Region 1	104,515	99,611	4,904	4.69%
Alabama	2,155,745	2,065,528	90,217	4.18%
U.S.	150,469,000	143,142,000	7,327,000	4.87%

Source: Alabama Department of Industrial Relations and U.S. Bureau of Labor Statistics.

Employment in the region averaged 77,680 quarterly from the second quarter of 2001 to third quarter 2004 (Figure 1.2). The low point was recorded in the third quarter of 2003 but employment is clearly recovering with increasing economic activity. Employment refers to the number of full-time and part-time jobs.



Source: Alabama Department of Industrial Relations and U.S. Census Bureau.

Commuting Patterns

In 2000, more people commuted out of the region for work than those who commuted in (Table 1.2). Commuter outflow exceeded inflow by about 3,600. There was significant commuting inside the region as well.

Table 1.2 also shows the one-way average commute time and distance for workers in 2004; the data were collected as part of a survey on underemployment. The one-way commute takes less than 20 minutes for 63 percent of workers; between 20 and 40 minutes for 23 percent; and more than 40 minutes for 10 percent. Nearly 4 percent of workers take more than an hour.

The commute is less than 10 miles for 54 percent of workers and 25 percent travel 10 to 25 miles. About 17 percent of workers travel more than 25 miles one-way, with roughly 6 percent exceeding 45 miles. This commuting data suggest that roads and highways must be maintained properly to ensure uninterrupted movement of workers so as to not slow economic development.

Table 1.2 WIAA Region 1 Commuting Patterns

Area	Inflow, 2000			Outflow, 2000	
	Number	Percent		Number	Percent
Colbert	1,490	17.1		2,365	19.2
Franklin	1,059	12.2		1,357	11.0
Lauderdale	2,074	23.8		4,767	38.8
Marion	2,230	25.6		1,618	13.2
Winston	1,860	21.4		2,193	17.8
WIAA Region 1	8,713	100.0		12,300	100.0

Average commute time (one-way), 2004

	Percent of workers
Less than 20 minutes	62.5
20 to 40 minutes	23.0
40 minutes to an hour	6.5
More than an hour	3.6

Average commute distance (one-way), 2004

	Percent of workers
Less than 10 miles	53.7
10 to 25 miles	25.2
25 to 45 miles	10.7
More than 45 miles	5.8

Note: Rounding errors may be present.

Source: U.S. Census Bureau and Alabama Department of Industrial Relations.

Population

The Region 1 population estimate of about 227,900 for 2004 is 1.0 percent less than was recorded for 2000 (Figure 1.3 and Table 1.3). Population fell for all five counties. However, the region's population is projected to grow 7.1 percent in this decade to about 246,600 by 2010. Population growth will be fastest in Winston and Franklin counties and slowest in Colbert. If employment growth continues its fast pace, it could reduce and perhaps reverse the net out-commuting mentioned in the previous section. Communities that experience rapid job gains may need to consider investments in amenities and infrastructure to attract new residents.

Figure 1.3 Region 1 Population

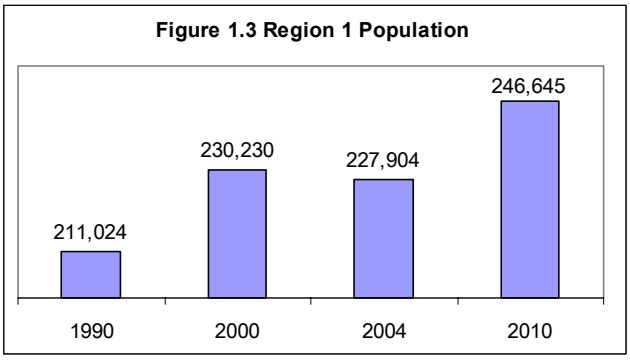


Table 1.3 WIAA Region 1 Population

	1990 Census	2000 Census	2004 Estimate	% Change 2000-2004	2010 Projected	% Change 2000-2010
Colbert	51,666	54,984	54,824	-0.3	57,311	4.2
Franklin	27,814	31,223	30,823	-1.3	34,513	10.5
Lauderdale	79,661	87,966	87,515	-0.5	94,983	8.0
Marion	29,830	31,214	30,267	-3.0	32,283	3.4
Winston	22,053	24,843	24,475	-1.5	27,555	10.9
WIAA Region 1	211,024	230,230	227,904	-1.0	246,645	7.1
Alabama	4,040,587	4,447,100	4,530,182	1.9	4,838,812	8.8
U.S.	248,709,873	281,421,966	296,655,404	5.4	314,571,000	11.8

Source: Center for Business and Economic Research, The University of Alabama and U.S. Census Bureau.

Educational Attainment

Educational attainment of Region 1 residents who are 25 years old and over is shown below in Table 1.4 and Figures 1.4 and 1.5. About 70 percent graduated from high school and nearly 14 percent hold a bachelor's or higher degree. Lauderdale and Colbert counties have higher educational attainment than the other three. Educational attainment is important as skills rise with education and high wage 21st century jobs demand more skill sets.

Per Capita Income

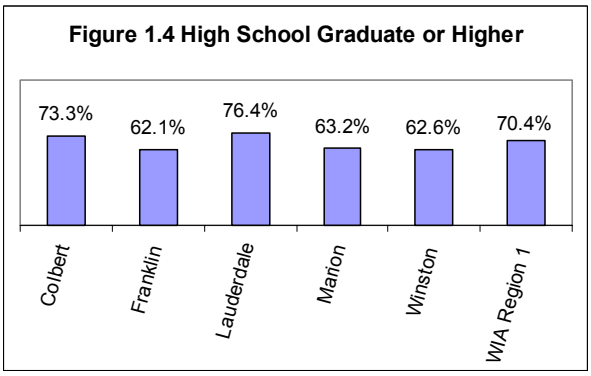
Per capita income (PCI) in Region 1 was at $22,828 in 2003 (Figure 1.6), up by about 31 percent from 1994. Lauderdale County had the highest PCI with $24,323, about $2,100 below the state average. Marion County had the lowest PCI with $19,937.

Underemployment and Available Labor

Labor force data are often limited to information on the employed and the unemployed that is available from government sources. However, this information is not complete from the perspective of employers. New or expanding employers are also interested in underemployment because current workers are potential employees. In fact, experience requirements in job ads are evidence that many prospective employers look beyond the unemployed for workers.

Workers in occupations that underutilize their experience, training, and skills are underemployed. These workers might look for other work because their current earnings are below what they believe they can get or because they wish to not be underemployed. Underemployment occurs for various reasons including (i) productivity growth, (ii) spousal employment and income, and (iii) family constraints or personal preferences. The various contributing factors combined with economic, social, and geographic characteristics of areas make underemployment unique to areas.

The existence of underemployment identifies economic potential that is not being realized. It is extremely difficult to measure this economic potential because of uncertainties regarding additional income that the underemployed can bring to an area. It is clear, however, that underemployment



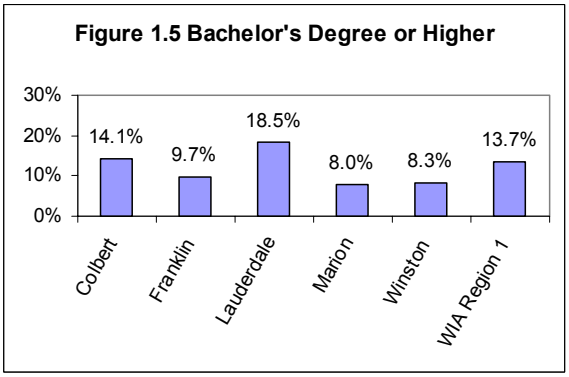
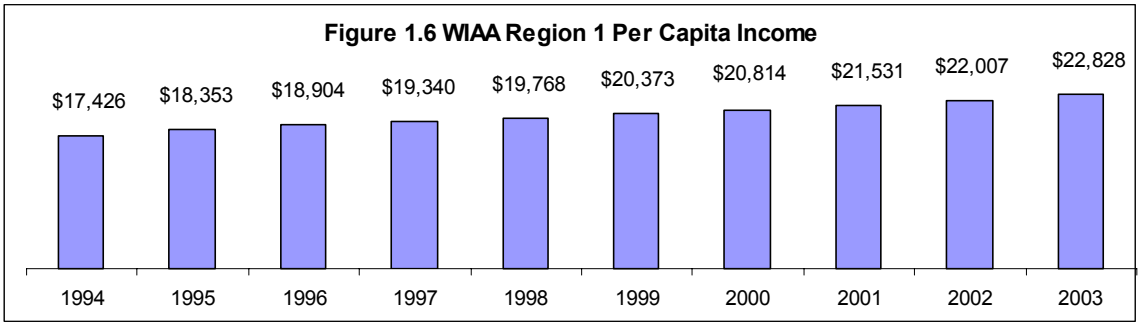


Table 1.4 Educational Attainment in 2000, Population 25 Years and Over

	Colbert	Franklin	Lauderdale	Marion	Winston	WIAA Region 1
Total	37,384	20,860	58,894	21,611	17,078	155,827
No schooling completed	418	482	420	304	343	1,967
Nursery to 4th grade	225	388	296	270	283	1,462
5th and 6th grade	812	793	1,158	835	784	4,382
7th and 8th grade	1,701	1,493	3,184	1,856	1,290	9,524
9th grade	1,691	1,607	2,294	1,182	1,099	7,873
10th grade	2,014	1,342	2,577	1,390	1,270	8,593
11th grade	1,614	980	2,066	1,225	729	6,614
12th grade, no diploma	1,497	819	1,920	900	589	5,725
High school graduate/equivalent	12,665	6,363	20,105	7,107	5,855	52,095
Some college, less than 1yr	2,326	1,366	3,681	1,454	1,077	9,904
Some college, 1+ yrs, no degree	5,289	2,270	7,784	2,315	1,797	19,455
Associate degree	1,859	936	2,528	1,054	551	6,928
Bachelor's degree	3,298	1,237	7,018	1,057	746	13,356
Master's degree	1,399	573	2,689	447	416	5,524
Professional school degree	370	168	691	189	198	1,616
Doctorate degree	206	43	483	26	51	809

Source: Center for Business and Economic Research, The University of Alabama and U.S. Census Bureau.



Source: U.S. Bureau of Economic Analysis and Center for Business and Economic Research, The University of Alabama.

provides opportunities for selective job creation and economic growth. A business that needs skills prevalent among the underemployed could locate in WIAAs with such workers regardless of those areas' unemployment rates. A low unemployment rate, which may falsely suggest limited labor availability, is not a hindrance to the business.

The underemployed present a significant pool of labor because they tend to respond to job opportunities that they believe are better for reasons that include (i) higher income, (ii) better benefits, (iii) better terms and conditions of employment, and (iv) better match with skills, training, and experience. The underemployed also create opportunities for entry level workers as they leave lower-paying jobs for better-paying ones. Even if their previously held positions are lost or not filled (perhaps due to low unemployment), there is economic growth in gaining higher-paying jobs. Such income growth boosts consumption, savings, and tax collections. Quantifying the size of the underemployed is a necessary first step in exploiting it for economic development, workforce training, planning, and other uses.

WIAA Region 1 had an underemployment rate of 19 percent in 2004. Applying this rate to August 2005 labor force data means that about 19,300 employed residents were underemployed (Table 1.5). Adding the unemployed gives a total available labor pool of about 24,200 for the region. This pool is about five times the number of unemployed and is a more realistic measure of the available labor in the region. However, prospective employers must be prepared to offer the underemployed higher wages, better benefits or terms of employment, or some other incentives to induce them to change jobs. Underemployment ranged from 12.9 percent for Colbert County to 28.1 percent for Marion. Lauderdale County has the largest available labor and Winston has the smallest.

Table 1.5 Available Labor in WIAA Region 1

	Region 1	Colbert	Franklin	Lauderdale	Marion	Winston
Labor Force	104,515	25,097	13,664	42,101	13,617	10,036
Employed	99,611	23,898	12,996	40,153	13,014	9,550
Underemployment rate	19.4%	12.9%	19.1%	19.0%	28.1%	18.5%
Underemployed workers	19,325	3,083	2,482	7,629	3,657	1,767
Unemployed	4,904	1,199	668	1,948	603	486
Available labor pool	**24,229**	**4,282**	**3,150**	**9,577**	**4,260**	**2,253**

Note: Rounding errors may be present. Based on August 2005 labor force data and 2004 underemployment rates.

Source: Center for Business and Economic Research, The University of Alabama and Alabama Department of Industrial Relations.

Workforce Demand

Industry Mix

The manufacturing sector was the leading employer with about 19,100 jobs in the second quarter of 2004 (Table 1.6). Rounding up the top five industries by employment are retail trade, health care and social assistance, educational services, and accommodation and food services. These five industries provided 51,120 jobs, about two-thirds of the region total. The average monthly wage across all industries in the region was just about $2,230; three of the leading employers paid more than this average. The highest average monthly wages were for utilities ($3,434) and wholesale trade

($3,131). Accommodation and food services paid the least at $961. Wholesale trade had the highest average monthly new hire wages with $2,561, followed by construction with $2,142. Accommodation and food services paid the least again with $686.

By broad industry classification, service producing industries provided 65 percent of jobs in second quarter 2004 (Figure 1.7). Goods producing industries were next with about 30 percent and public administration 5 percent. This distribution is for all jobs in the region.

Figure 1.7 WIAA Region 1 Employment Distribution

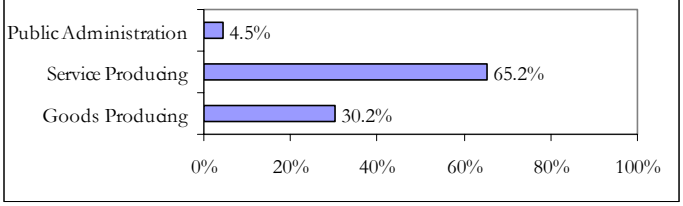


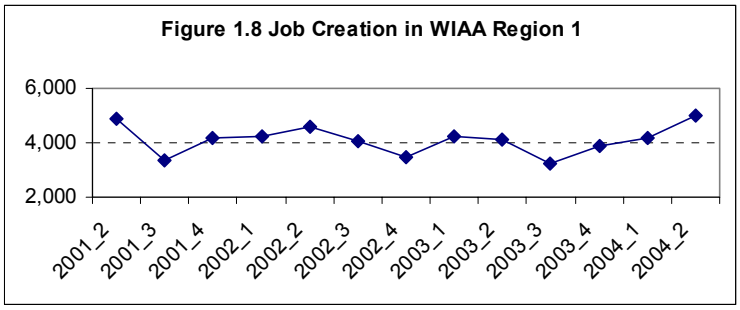
Table 1.6 Industry Mix (2nd Quarter 2004)

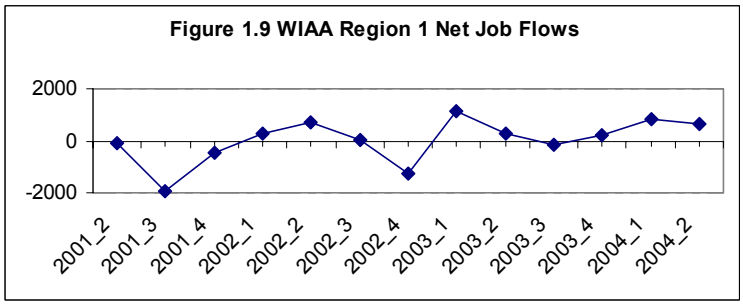
Industry by 2-digit NAICS Code	Total Employment	Share	Rank	Average Monthly Wage	Average Monthly New Hire Earnings
11 Agriculture, Forestry, Fishing and Hunting	494	0.64%	18	$2,320	$1,919
21 Mining	204	0.27%	19	$2,857	$2,061
22 Utilities	863	1.12%	14	$3,434	$1,658
23 Construction	3,463	4.51%	8	$2,656	$2,142
31-33 Manufacturing	19,072	24.82%	1	$2,498	$1,841
42 Wholesale Trade	3,702	4.82%	6	$3,131	$2,561
44-45 Retail Trade	10,349	13.47%	2	$1,770	$1,122
48-49 Transportation and Warehousing	1,430	1.86%	13	$2,509	$1,824
51 Information	841	1.09%	15	$2,373	$1,592
52 Finance and Insurance	2,378	3.09%	11	$2,787	$1,897
53 Real Estate and Rental and Leasing	788	1.03%	16	$1,965	$1,265
54 Professional, Scientific, and Technical Services	2,416	3.14%	10	$2,306	$1,698
55 Management of Companies and Enterprises	201	0.26%	20	$2,524	$2,056
56 Administrative and Support and Waste Management and Remediation Services	2,989	3.89%	9	$2,041	$2,010
61 Educational Services	6,389	8.31%	4	$2,279	$837
62 Health Care and Social Assistance	9,571	12.45%	3	$2,324	$1,733
71 Arts, Entertainment, and Recreation	520	0.68%	17	$1,251	$815
72 Accommodation and Food Services	5,739	7.47%	5	$961	$686
81 Other Services (except Public Administration)	1,959	2.55%	12	$1,708	$1,286
92 Public Administration	3,480	4.53%	7	$2,235	$1,331
ALL INDUSTRIES	76,848	100%		$2,231	

Source: Alabama Department of Industrial Relations and U.S. Census Bureau.

Job Creation and Net Job Flows

On average, about 4,100 jobs were created per quarter from second quarter 2001 to second quarter 2004. Figure 1.8 shows job creation on a downward trend over the period, but clearly rising since the third quarter of 2003. Quarterly net job flows averaged 17 in the same period and explains the job creation trend (Figure 1.9). Net job flows have ranged from a loss of about 1,900 to a gain of almost 1,200. Job creation refers to the number of new jobs that are created either by new area businesses or through the expansion of existing firms. Net job flows reflect the difference between current and previous employment at all businesses.





Source: Alabama Department of Industrial Relations and U.S. Census Bureau.

High-Demand Occupations

Table 1.7 shows the top 34 of more than 430 occupations ranked by projected demand for jobs. Many of these occupations are common to the top five employment sectors identified earlier: manufacturing; retail trade; health care and social assistance; educational services; and accommodation and food services. Thus these sectors will continue to dominate employment in the region. The top five high-demand occupations are Cashiers; Food Preparation and Serving Workers; Retail Salespersons; Waiters and Waitresses; and Carpenters.

Table 1.7 Selected High-Demand Occupations (Base Year 2002 & Projected Year 2012)

Occupation	Annual Average Job Openings		
	Total	Due to Growth	Due to Separations
Cashiers	190	20	170
Combined Food Preparation and Serving Workers	125	30	95
Retail Salespersons	115	20	95
Waiters and Waitresses	100	10	90
Carpenters**	85	50	35
Team Assemblers	75	5	70
Registered Nurses	65	25	40
Office Clerks, General	65	15	50
General and Operations Managers	60	20	40
Truck Drivers, Heavy and Tractor-Trailer	55	25	30
Meat, Poultry, and Fish Cutters and Trimmers	***	***	***
Janitors and Cleaners, Except Maids	45	15	30
First-Line Supervisors/Managers, Retail Sales	45	15	30
Teacher Assistants	45	15	30
Sales Representatives, Except Technical and Scientific Products	40	15	25
Child Care Workers	40	10	30
Bookkeeping, Accounting, and Auditing Clerks	40	5	35
Elementary School Teachers, Except Special Education	40	15	25
Nursing Aides, Orderlies, and Attendants	40	20	20
Maintenance and Repair Workers, General	35	15	20
First-Line Supervisors/Managers of Production and Operating Workers	35	15	20
Licensed Practical and Licensed Vocational Nurses	35	10	25
Maids and Housekeeping Cleaners	35	15	20
Cabinetmakers and Bench Carpenters	30	10	20
Welders, Cutters, Solderers, and Brazers	30	10	20
Tellers	30	5	25
Secondary School Teachers, Except Special Education	30	10	20
Automotive Service Tech. and Mechanics	30	10	20
Receptionists and Information Clerks	25	10	15
First-Line Supervisors/Managers of Office and Administrative Support Workers	25	5	20
Cooks, Institution and Cafeteria	25	5	20
Customer Service Representatives	25	10	15
Hairdressers, Hairstylists, and Cosmetologists	25	5	20
Electricians	25	10	15

Note: A minimum of 25 average annual job openings is used as selection criterion and data are rounded to nearest 5.

** Qualify as both high-demand and fast-growing occupations.

*** The data for these occupations are confidential using Bureau of Labor Statistics standards.

Source: Alabama Department of Industrial Relations.

Fast-Growing Occupations

The top 12 of occupations ranked by projected growth of employment are listed in Table 1.8. A third of these occupations are in health or health support. The top five fast-growing occupations are Medical Assistants; Manufactured Building and Mobile Home Installers; Fitness Trainers and Aerobics Instructors; Home Health Aides; and Directors, Religious Activities and Education. Only one occupation, Carpenters, is both high-demand and fast-growing.

Table 1.8 Selected Fast-Growing Occupations (Base Year 2002 & Projected Year 2012)

Occupation	Employment		Percent Change	Annual Growth (Percent)	Total Annual Average Job Openings
	2002	2012			
Medical Assistants	140	190	35.7	3.10	10
Manufactured Building and Mobile Home Installers	130	170	30.8	2.72	10
Fitness Trainers and Aerobics Instructors	110	140	27.3	2.44	10
Home Health Aides	420	530	26.2	2.35	15
Directors, Religious Activities and Education	240	300	25.0	2.26	10
Dental Assistants	160	200	25.0	2.26	10
Sales Managers	210	260	23.8	2.16	10
Pharmacy Technicians	270	330	22.2	2.03	10
Carpenters**	2,160	2,640	22.2	2.03	85
Merchandise Displayers and Window Trimmers	250	300	20.0	1.84	10
Computer-Controlled Machine Tool Operators, Metal and Plastic	150	180	20.0	1.84	10
Sheet Metal Workers	200	240	20.0	1.84	10

Note: Selection criterion is an annual growth rate of at least 1.80 percent. Employment level data are rounded to the nearest 10 and job openings data are rounded to the nearest 5.

** Qualify as both high-demand and fast-growing occupations.

Source: Alabama Department of Industrial Relations.

High-Earning Occupations

Any discussion of earnings must consider that wages vary with experience. Occupations with the highest entry wages may not necessarily have the highest average or experienced wages. Table 1.9 shows 50 selected highest earning occupations in the region. The selected high-earning occupations are mainly in health, legal, management, engineering, computer, and postsecondary education fields. The top four are health occupations. The selected high-earning occupations are generally not fast-growing or high-demand. Only one high-earning occupation, General and Operations Managers, is in the high-demand category. Sales Managers is the only high-earning and fast-growing occupation.

Other Workforce Issues

Available Labor

Employment is a critical input to economic development. As such, the availability of labor is very important. WIAA Region 1 currently has a low unemployment rate, but it also has a 24,200-strong available labor pool that is looking for better jobs, typically higher-wage ones. This pool is made up of 19,300 underemployed and 4,900 unemployed. The region's underemployed workers are willing to commute farther and longer; 43 percent are prepared for 20 or more minutes longer and 59 percent will go 20 or more extra miles.

A lack of job opportunities in their areas, low wages at available jobs, and living too far from jobs are the primary reasons given for being underemployed. Nonworkers cite retirement and disability as primary reasons for being unemployed. A few also cite lack of job opportunities in their areas as a major reason for not working. Such workers may become part of the labor force if that problem can be addressed. Economic development efforts should take these factors into consideration.

Table 1.9 Selected High-Earning Occupations

Occupation	Mean Annual Salary ($)
Anesthesiologists	196,976
Internists, General	169,749
Family and General Practitioners	146,370
Podiatrists	142,667
Chief Executives	135,304
Dentists, General	134,410
Lawyers	106,933
Engineering Managers	96,200
General and Operations Managers	85,821
Aerospace Engineers	84,344
Pharmacists	83,075
Chiropractors	82,514
Computer and Information Systems Managers	81,078
Marketing Managers	79,435
Sales Managers	78,957
Securities, Commodities, and Financial Services Sales Agents	78,458
Environmental Engineers	76,960
Chemical Engineers	76,502
Financial Managers	76,003
Medical and Health Services Managers	72,925
Electrical Engineers	72,904
Purchasing Managers	72,488
Computer Software Engineers, Applications	71,698
Mechanical Engineers	70,221
Education Administrators, Postsecondary	69,618
Industrial Production Managers	69,056
Management Analysts	68,806
Veterinarians	68,619
Construction Managers	67,163
Sales Engineers	66,934
Computer Programmers	66,789
Physics Teachers, Postsecondary	65,710
Computer Systems Analysts	65,250
Industrial Engineers	65,125
Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products	64,979
Economics Teachers, Postsecondary	64,560
Education Administrators, Elementary and Secondary School	64,480
Architects, Except Landscape and Naval	63,627
Health and Safety Engineers, Except Mining Safety Engineers and Inspectors	63,502
Clinical, Counseling, and School Psychologists	63,253
Civil Engineers	63,190
Business Teachers, Postsecondary	63,170
First-Line Supervisors/Managers of Non-Retail Sales Workers	63,149
Physical Therapists	61,714
Transportation, Storage, and Distribution Managers	61,630
Public Relations Managers	60,944
Administrative Services Managers	59,218
Judges, Magistrate Judges, and Magistrates	58,802
Biological Science Teachers, Postsecondary	58,090
Property, Real Estate, and Community Association Managers	57,720

Note: The list of occupations is specific to the region, but earnings are statewide. Only the 50 highest earning single occupations are presented. The list does not include occupations that are affected by confidentiality. Some high-earning occupational groups are not listed because earnings can vary considerably for occupations within these groups. Employment data are rounded to the nearest 10. The data provided are based on the November 2004 release of the Occupational Employment Statistics (OES) combined employment and wage file. Estimates for specific occupations may include imputed data.

"NA" indicates data items that are not publishable or not available.

Source: Center for Business and Economic Research, The University of Alabama and Alabama Department of Industrial Relations.

Employment seems to be growing faster than the labor force. Higher employment demand could be alleviated somewhat with in-commuting, but rising employment demand outside the region could increase out-commuting. Availability of jobs in the region will present communities with opportunities to attract new residents. Some communities must be prepared to invest in amenities and infrastructure to support such growth because immigration is generally more beneficial to communities than in-commuting.

Immigration is one way of growing the labor force through growth in the population. The region's population growth rate is low relative to the state's rate and this is expected to continue through 2010. The low population growth rate may hinder the ability to meet increases in demand for workers. Another strategy to expand the labor force to meet this demand is to focus on hard-to-serve populations. Hard-to-serve populations include persons in poverty, those receiving welfare, those in sparsely populated areas, and those on active parole. These populations are often outside of the mainstream economy and poor (e.g. out-of-school youth). They usually have difficulty finding work because they have low levels of educational attainment, lack occupational skills, or face geographic or other barriers. They are a potential human resource and some investment in training, transportation, child care, infrastructure, etc. may be needed to tap this resource.

Skills

Jobs require skill sets and it is necessary that jobholders have the relevant skills. High earning occupations typically require more complex skills, which are obtained in the pursuit of the high educational attainment levels that such jobs require. Low earning occupations require fewer and more basic skill sets; some such occupations have no minimum skill set requirements (e.g. dishwashers and maids).

Table 1.10 shows the percentage of selected occupations in WIAA Region 1 that list a particular skill as primary. We define a primary skill as one in the top 10 of the required skill set for an occupation. O*NET Online provides skill sets for all occupations ranked by the degree of importance. Thus primary skills are more important than other skills. It is important to note that a particular skill may be more important and more extensively used in one occupation than another. Table 1.10 does not address such cross-occupational skill importance comparisons.

In general, basic skills are most frequently listed as primary. Several basic skills are primary for more selected high-earning occupations than selected fast-growing and selected high-demand occupations. A similar pattern holds for complex problem solving, resource management, and systems skills. These skills require longer training periods and postsecondary education. The high-demand and high-growth occupations in the region are dominated by occupations such as Cashiers; Combined Food Preparation and Serving Workers; Retail Salespersons; Waiters and Waitresses; and Medical Assistants. The most relevant skills for such occupations are active listening, reading comprehension, speaking, writing, and service orientation.

Table 1.10 Share of Selected Occupations for Which Skill Is Primary

	Selected High-Demand Occupations	Selected Fast-Growing Occupations	Selected High-Earning Occupations
Basic Skills			
Active Learning	35%	42%	66%
Active Listening	74%	75%	84%
Critical Thinking	62%	33%	90%
Learning Strategies	32%	17%	16%
Mathematics	32%	33%	28%
Monitoring	32%	25%	34%
Reading Comprehension	71%	67%	92%
Science	0%	0%	26%
Speaking	62%	67%	70%
Writing	32%	42%	50%
Complex Problem Solving Skills			
Complex Problem Solving	3%	8%	38%
Resource Management Skills			
Management of Financial Resources	3%	0%	14%
Management of Material Resources	6%	0%	6%
Management of Personnel Resources	12%	0%	16%
Time Management	47%	42%	54%
Social Skills			
Coordination	29%	42%	30%
Instructing	32%	58%	26%
Negotiation	6%	0%	14%
Persuasion	6%	8%	16%
Service Orientation	38%	50%	14%
Social Perceptiveness	44%	50%	20%
Systems Skills			
Judgment and Decision Making	21%	17%	60%
Systems Analysis	0%	0%	10%
Systems Evaluation	0%	0%	18%
Technical Skills			
Equipment Maintenance	12%	25%	0%
Equipment Selection	18%	58%	4%
Installation	15%	33%	0%
Operation and Control	9%	25%	2%
Operation Monitoring	6%	8%	2%
Operations Analysis	3%	17%	18%
Programming	0%	0%	4%
Quality Control Analysis	3%	25%	4%
Repairing	15%	17%	0%
Technology Design	0%	0%	10%
Troubleshooting	12%	8%	10%

Note: Definitions for skill types and skills are available at http://online.onetcenter.org/skills/

Source: O*NET Online and Center for Business and Economic Research, The University of Alabama.

Education and Training Issues

Educational attainment in WIAA Region 1 is low compared to the state as a whole. Seventy percent of residents age 25 and over have graduated from high school, compared to 75 percent for Alabama. Of that population, almost 14 percent have bachelor's or higher degree; 19 percent of Alabamians do. Skill and education requirements for jobs keep rising and emphasize a strong need to raise educational attainment in the region.

Table 1.11 shows the number of selected occupations in the region for which a particular education/training category is most common. In general, high-earning occupations require high educational attainment levels, typically a bachelor's or higher degree. Most of the high-demand and fast-growing jobs do not require postsecondary training. Moderate on-the-job training is the minimum requirement for most fast-growing occupations. Short-term to moderate on-the-job training is the minimum requirement for most high-demand occupations. The challenge for the region is that future jobs are likely to require high school graduation and some postsecondary education and training.

Table 1.11 Number of Selected Occupations with Most Common Education/Training Requirement

Most Common Education/Training Requirements Categories	Selected High-Demand Occupations	Selected Fast-Growing Occupations	Selected High-Earning Occupations
First Professional Degree			9
Doctoral Degree			4
Master's Degree			2
Work Experience Plus a Bachelor's or Higher Degree	1	1	15
Bachelor's Degree	2	1	17
Associate Degree	1		
Postsecondary Vocational Training	3	1	
Work Experience in a Related Occupation	3		2
Long-term On-the-job Training	4	1	
Moderate On-the-job Training	7	7	1
Short-term On-the-job Training	13	1	

Note: The last three education and training requirements categories are based on the length of time it generally takes an average worker to achieve proficiency for occupations in which postsecondary training is usually not needed for entry. **Long-term** requires more than 12 months on-the-job training that can include up to four years of apprenticeship, formal classroom instruction, and short-term employer-sponsored training. Trainees are generally considered to be employed in the occupation. **Moderate-term** requires one to 12 months on-the-job experience and informal training. **Short-term** requires up to one month on-the-job experience and training.

Source: O*NET Online; Center for Business and Economic Research, The University of Alabama; and Alabama Department of Industrial Relations.

The finding that basic skills are important for all the selected occupations (Table 1.10) presents a challenge for workforce development in the region. It indicates a strong need for training in these skills. Ideally, all high school graduates should possess basic skills so that postsecondary and higher education can focus on other and more complex skill types while enhancing basic skills. Employers should be an integral part of planning for training as they can point out the skill needs of the future and any existing gaps.

High-earning occupations make up a small component of total employment and jobs offered by top employers in the region. Diversifying the region's economy would strengthen it. Economic

development should also focus on retaining, expanding, and attracting businesses that provide more high-earning jobs. Workforce development should pay attention to postsecondary and higher educational systems to ensure a ready and available workforce for these businesses. The higher incomes to graduates of these institutions would help raise personal income for the region. Raising personal income by improving educational attainment and technological skills for a region that has low population and labor force growth rates is an effective economic development strategy.

A highly educated and productive workforce is a critical economic development asset. Together, workforce development and economic development can provide this asset and build a strong well-diversified regional economy. Indeed, one cannot achieve success without the other.

Regional Advisory Council Annual Report: Implications for Action

The material in this section is from the June 2005 Annual Report of the Region 1 Workforce Development Regional Advisory Council. It does not necessarily reflect the opinions of the direct contributors to this workforce report.

Action issue 1. Where must education and training opportunities be advanced or marketed to meet the demands of critical skills/worker shortages and high-growth occupations in the region?

Throughout the region an emphasis should be placed on instilling the "soft skills" (workplace ethics, problem-solving, team-building, communications) that apply to essentially all current and future industries. The state's 10-week Focused Industry Training basic workplace skills training should be funded in the five counties and made widely available as a means of upgrading the productivity of the region's workforce, and to support new and expanding industries. Much greater participation is needed in the Industry-Education Alliances and funding must be made available for alliance initiatives. The region's two-year colleges are committed to meeting the region's workforce training needs, and need increased and more stable support for vocational, technical, and occupational training. The *Displaced Worker Economic Development Strategy* (November 2003) prepared by NACOLG should be implemented as funds become available. Page 26 in that report identifies 12 high priority action items. There is also an opportunity and need to integrate the NACOLG Senior Aides Program into the region's workforce development activities.

In the northern part of the region (Colbert, Lauderdale, and to some extent, Franklin counties), training needs are apparent in the leisure, hospitality, entertainment, and tourism industries as a result of the area's recent initiative to become a tourist destination. This part of the region is also the health care and retail/wholesale trade center for a three-state region. Support for health care (especially registered nursing) faculty is critically needed to expand the registered nursing and related patient care education programs at regional colleges and university.

In the southern part of the region, the drop-out problem calls for special attention to youths, young adults, and older adults with literacy problems. Without corrective action, these rural areas are severely handicapped in the new knowledge-based economy.

Action issue 2. How can/should worker skills be generally upgraded in the region?

Systems are in place through the career centers and higher education-based training programs to address most of these worker skills issues. Possibly a five-county consortium could be established

comprised of key employers, HR directors, and training providers to highlight business/industry training needs, explain and promote available training programs, and present a united front in regard to soliciting funding for new and continued training. It would have to be endorsed by the state WFD planning system in order to be effective. After a variety of federal/state workforce initiatives dating back to the 1960s that produced mixed results, there is a great deal of cynicism by private businesses and industries about these efforts. Participation in the WFD planning process by the private sector is often difficult to obtain. Opportunities abound to extend training and education opportunities to geographically disadvantaged students, adults, and the workforce through the extensive systems of distance learning in place at the University of North Alabama, Bevill State Community College, and Northwest-Shoals Community College.

Action issue 3. How can future workers be helped to make better choices about career preparation?

As mentioned earlier, a strong, effective counseling system in the school systems is critically important. An expansion of job shadowing and the Choices programming offered through some chambers of commerce would achieve positive results. The media can play a supportive role by highlighting careers in growing fields and explaining entry requirements.

Action issue 4. Should worker assessment and credentialing be increased in the region (pre-service and in-service training)?

Yes.

Action issue 5. What roles should be played by the various stakeholder groups (employers, partner agencies, elected officials, faith-based/community-based organizations, Workforce Investment Board members, grantor agencies, news media, vendors/contractors) at the local, regional, state and federal levels in implementing the action steps outlined above?

Employers—Employers should clearly define and regularly communicate their current and projected workforce training needs to the appropriate training providers, and provide candid feedback on training effectiveness. Employers should be encouraged to adopt systems such as WorkKeys. Employer participation in the Industry-Education Alliances is essential for those alliances to function.
Partner agencies—These agencies should share information with each other about workforce training plans and initiatives, and collaborate when it is to the benefit of clients, paying special attention to both urban and rural sectors of the region.
Elected officials—They should become familiar with workforce development issues and offer to bring employers and training providers together when it appears the workforce development system is not functioning well. They should also take more responsibility for developing strategies to increase financial resources for WFD.
Faith- and community-based organizations—When these organizations have unique and valuable training capabilities, they should have an opportunity to provide training. They can engage in community assessment of WFD needs and collaborate with education agencies in developing and implementing programs to decrease drop-out rates, increase literacy rates, and provide soft skill training.
News media—As a public service, the media can help highlight career opportunities and the education and training requirements for career entry and long-term success. They can develop PSAs

designed to increase public awareness of the region's economic and WFD issues and encourage a community call to action. They can keep the public aware of the role a trained and responsive work force has in a community's economic growth and vitality.